

Congress of the United States
Washington, DC 20515

April 25, 2012

0536

The Honorable Julius Genachowski
Chairman
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20515

Dear Chairman Genachowski:

The Federal Communications Commission (FCC) is considering a proposal to require television broadcasters to post all of their public records on the Internet, which includes their political files. In the current fiscal environment where both the President and Congressional leaders have prioritized the elimination of unnecessary government spending, a plan to transition to an online public file deserves careful scrutiny. To date, the FCC has not adequately assessed the costs or burdens associated with this proposal, nor articulated the need.

As drafted for comment, this proposal would require the FCC to develop and maintain a new online database that would host all of the public and political file records, often numbering in the thousands of pages, for the 1,776 television stations in the United States. Television broadcasters would bear the cost of uploading these files. This would be a tremendous undertaking.

We also understand that your draft order would lead to even greater costs than what was outlined in the notice of proposed rulemaking. For example, the draft asks for stations to provide the materials to the Commission in their native format rather than a .pdf and will require the FCC to upload this information onto a cloud system. Has the Commission assessed the station resources that will be required to man, monitor, and enforce these new provisions? It is imperative that the Commission and Congress understand the costs associated with these online files, as well as the planned sources of funding, before making any final determinations on this proposal.

The FCC's proposal fails to explain the need for an online public file. As FCC Commissioner Robert McDowell recently stated, the proposal for an online public file is fixing "what appears to be a nonexistent problem," since there is little evidence that the current hard copy file is not available to whoever needs it. The Commission must explain the need for this proposal before implementing such a costly endeavor.

Moreover, the FCC's proposal does not adequately assess its impact on the 74 percent of television stations that, by FCC estimates, qualify as "small entities" subject to the Regulatory Flexibility Act. This problem is not alleviated by only requiring ABC, CBS, Fox, and NBC stations or affiliates in the top-50 U.S. markets to immediately put new data from political files online, since many of these stations are in fact small businesses. Given the economic impact of this proposal, the FCC should explore less burdensome alternatives.

Finally, we find it troubling that the FCC will be requiring the political file to be put online, which includes proprietary and competitively sensitive information about all political advertising

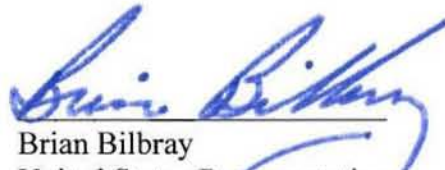
requests, including Lowest Unit Charge or other price information in the case of issue advertisements. We would prefer you require stations to aggregate the spending of individual candidates and PACs rather than calling for the reporting of all political buys. There are significant competition issues at play here that warrant careful consideration.

It is critical that Congress better understand the costs and benefits of an online public file, particularly given the apparent, but unexplained, rush by the FCC to get this completed. As you are aware, the House recently passed H.R. 3309, the Federal Communications Commission Process Reform Act of 2012. As proud supporters of this bill we have advocated that agencies such as yours conduct a cost-benefit analysis before imposing new regulations. We are very concerned that such an analysis was not conducted here. We look forward to continuing to work with you as you consider this important issue.

Sincerely,



Cliff Stearns
United States Representative



Brian Bilbray
United States Representative



Marsha Blackburn
United States Representative

cc: Commissioner Robert McDowell
Commissioner Mignon Clyburn



FEDERAL COMMUNICATIONS COMMISSION

June 14, 2012

JULIUS GENACHOWSKI
CHAIRMAN

The Honorable Brian Bilbray
U.S. House of Representatives
2410 Rayburn House Office Building
Washington, D.C. 20515

Dear Congressman Bilbray:

Thank you for your letter expressing concern about the Commission's efforts to require television broadcasters to post their public files online – including their political files. Your letter will be included in the record for the proceeding.

Congress has mandated through the Communications Act that broadcasters have unique public interest obligations, including the public availability of a broadcast station's political file. Transparency, accessibility and equal access are essential to serving the public interest goals of the Communications Act. The question that the Commission recently addressed was whether, in the 21st century, the broadcasters' obligations to make certain files available for public inspection continued to mean tucked in their local office filing cabinets, or available online. The Commission acted to ensure that television broadcasters' public files, including the political files, be accessible not just in hard-to-access physical filing cabinets, but online.

Before adopting the online filing requirement, the Commission carefully analyzed potential costs to broadcasters. As with all paper-to-paperless conversions, the broadcasters will experience some one-time upfront costs. Based on the record, the Commission estimated these costs at an average of \$80 - \$400 per station, spread over a six month period.

This requirement not only promotes transparency and accessibility, but based on the record in this proceeding will result in long-term efficiencies and cost savings for broadcasters. Moving the file online will minimize disruptions in the daily operation of a station, and reduce the burdens placed on station staff that currently field phone calls and chaperone in-person requests to inspect files. Also, broadcasters will no longer need to maintain paper copies of eight routine items that they already file with the Commission. These items compose about a third of all items in the public file. Instead, the Commission will take responsibility for filing the material online. Even for those elements of the file still managed by the broadcasters, the online file should be less burdensome than a local file, because uploading a file will be easier and more efficient than photocopying it, walking it to the local paper file, finding the appropriate folder and inserting it in the proper order.

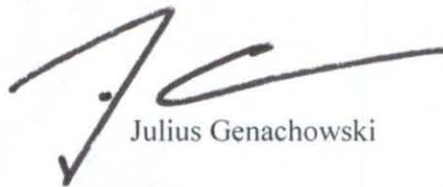
In order to assist smaller stations in preparing for any additional costs, the conversion to electronic files will be completed in phases. Stations affiliated with the major networks in the top 50 DMAs, roughly 200 stations out of approximately 2000 stations nationwide, must post new political

Page 2—The Honorable Brian Bilbray

file materials online when the rules become effective, with the rest of the industry complying by July 2014.

I appreciate your interest in this matter. Please let me know if I can be of any further assistance.

Sincerely,

A handwritten signature in dark ink, appearing to be 'JG', with a checkmark-like flourish at the bottom left.

Julius Genachowski



FEDERAL COMMUNICATIONS COMMISSION

June 14, 2012

JULIUS GENACHOWSKI
CHAIRMAN

The Honorable Marsha Blackburn
U.S. House of Representatives
217 Cannon House Office Building
Washington, D.C. 20515

Dear Congresswoman Blackburn:

Thank you for your letter expressing concern about the Commission's efforts to require television broadcasters to post their public files online – including their political files. Your letter will be included in the record for the proceeding.

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Julius Genachowski



FEDERAL COMMUNICATIONS COMMISSION

June 14, 2012

JULIUS GENACHOWSKI
CHAIRMAN

The Honorable Cliff Stearns
U.S. House of Representatives
2306 Rayburn House Office Building
Washington, D.C. 20515

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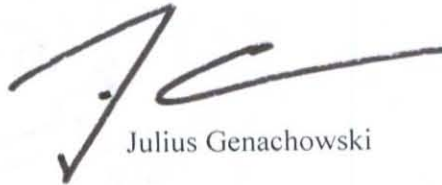
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